

Adopt Rev 1907 and renumber existing Rev 1907 as Rev 1908, so that Rev 1907 reads as follows:

PART Rev 1907 VALUATION OF UTILITY COMPANY DISTRIBUTION ASSETS

Rev 1907.01 Definitions. For purposes of this part, the following definitions shall apply:

(a) “Final locally assessed value effective April 1, 2018” means “final locally assessed value effective April 1, 2018” as defined in RSA 72:8-d, VI(b). The term includes only the portion of the municipality’s value which is attributable to utility company assets.

(b) “Utility company” means any electric, gas, or water utility company owning or possessing utility company assets.

(c) “Utility company assets” means “utility company assets” as defined in RSA 72:8-d, I.

(d) “Utility property” means all property of a utility company subject to tax under RSA 72:6, 72:7 or 72:8, but not exempt under RSA 72:23. The term includes utility company assets.

Rev 1907.02 Report of Utility Company Assets.

(a) Every utility company shall, by May 1 of each year:

(1) Complete and file with the assessing officials of each municipality where any of the utility company’s utility company assets are located:

- a. If an electric utility company, Form PA-81, “Electric Utility Company Report of Utility Company Assets”;
- b. If a gas utility company, Form PA-82, “Gas Utility Company Report of Utility Company Assets”; or
- c. If a water utility company, Form PA-83, “Water Utility Company Report of Utility Company Assets”; and

(2) File a completed copy of each form with the department.

(b) A utility company shall report on each Form PA-81, Form PA-82, or Form PA-83 the original cost and net book value of all its utility property located within the municipality as of December 31 of the preceding year as follows:

- (1) Distribution and transmission assets, by each account established by the United States Federal Energy Regulatory Commission (FERC), or the New Hampshire public utilities commission (NH PUC) pursuant to RSA 374:8, as applicable;
- (2) Generation and all other assets, by each category of accounts established by FERC or the NH PUC, as applicable; and
- (3) Contributions in aid of construction (CIAC), construction works in progress (CWIP), and undistributed plant assets which are not included in (b)(1) or (2) above, associated with distribution only, and in total.

(c) Every utility company shall keep accounting records on the original cost of CIAC, CWIP, and undistributed plant assets, using the best information then available from the utility company's accounting records, pursuant to RSA 72:8-d, V.

(d) Each Form PA-81, Form PA-82, or Form PA-83 shall be in addition to, and not in substitution for:

- (1) Form PA-28, "Inventory of Taxable Property," pursuant to RSA 74:4, if required by the municipality;
- (2) Form PA-20, "Utility Property Tax Information Update," for purposes of the utility property tax pursuant to RSA 83-F:5, V; and
- (3) If requested by the assessing officials or the department, any documents and other information as shall be necessary to:
 - a. Verify any information reported by the utility company on Form PA-81, Form PA-82, or Form PA-83; and
 - b. Determine the value of the utility company's utility property, other than its utility company assets.

Rev 1907.03 5-Year Phase-In Period.

(a) Every utility company shall, by May 1, 2020, complete and file each Form PA-81, Form PA-82, or Form PA-83, pursuant to Rev 1907.02, with a corresponding completed:

- (1) Form PA-84-E, "Report of Tax Year 2018 Electric Utility Company Assets";
- (2) Form PA-84-G, "Report of Tax Year 2018 Gas Utility Company Assets"; or
- (3) Form PA-84-W, "Report of Tax Year 2018 Water Utility Company Assets."

(b) A utility company shall report on each Form PA-84-E, Form PA-84-G, or Form PA-84-W the original cost and net book value of all its utility property as of December 31, 2017 as follows:

- (1) Distribution assets, in total, and without any fee-owned land, office buildings, garages, and warehouses associated with distribution only;
- (2) Transmission, generation, and all other assets, by each category of accounts established by FERC or the NH PUC, as applicable; and
- (3) CIAC, CWIP, and undistributed plant assets which are not included in (b)(1) or (2) above, associated with distribution only, and in total.

(c) The phase-in period under RSA 72:8-d, VI shall apply only to utility company assets existing and assessed as of April 1, 2018.

(d) In the case of a municipality which used the department's allocated market value as of April 1, 2018 pursuant to RSA 83-F as the value of a utility company's utility property for the tax year effective

April 1, 2018, the municipality shall calculate the utility company's final locally assessed value effective April 1, 2018 in the following manner:

- (1) Divide the original cost of the utility company assets by the original cost of all its utility property, using Form PA-84-E, Form PA-84-G, or Form PA-84-W; and
- (2) Multiply the resulting percentage by the department's allocated market value as of April 1, 2018.

(e) In determining the value of a utility company's utility company assets pursuant to RSA 72:8-d, VI, a municipality shall equalize the utility company's final locally assessed value effective April 1, 2018 using the 2018 median ratio as determined by the department under RSA 21-J:3, XIII, RSA 21-J:15, and Rev 2800.

(f) For each year of the phase-in period through the tax year effective April 1, 2023, pursuant to RSA 72:8-d, VI, a utility company's final locally assessed value effective April 1, 2018 shall be adjusted pursuant to RSA 72:8-d, VI(a)(5) to account for any utility company assets:

- (1) Installed after April 1, 2018, if not included in the utility company's final locally assessed value effective April 1, 2018; or
- (2) Retired after April 1, 2018, if included in the utility company's final locally assessed value effective April 1, 2018.

(g) The municipality shall calculate the adjustment required by (f) above pursuant to RSA 72:8-d, II(c) and VI(a)(5), in the following manner:

- (1) Multiply the difference in the original cost of the utility company's utility company assets from the final locally assessed value effective April 1, 2018 to the applicable tax year, by the applicable percentage in RSA 72:8-d, II(a);
- (2) Multiply the difference in the net book value of the utility company's utility company assets from the final locally assessed value effective April 1, 2018 to the applicable tax year, by the applicable percentage in RSA 72:8-d, II(a);
- (3) Add (g)(1) and (2) above; and
- (4) Multiply the resulting sum by 1.03.

Rev 1907.04 Equalization of Formula.

(a) In determining the value of a utility company's utility company assets for any tax year, whether during the phase-in period pursuant to Rev 1907.03, or after pursuant to RSA 72:8-d, II(c), except as provided in (b) below, a municipality shall equalize the value according to the applicable formula using the previous year's median ratio as determined by the department under RSA 21-J:3, XIII, RSA 21-J:15, and Rev 2800.

(b) A municipality shall not equalize the value of a utility company's utility company assets in any tax year for which the municipality conducts a full reassessment in accordance with RSA 75:1 and RSA 75:8-a.

APPENDIX

Rule	Statute
Rev 1907	RSA 72:8-d